



COSMOS MACHINERY ENTERPRISES LIMITED

大同機械企業有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 118)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Cosmos Machinery Enterprises Limited (the “Company”) will be held at Tang I, 3rd Floor, Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong on Monday, 30th May, 2005 at 9:30 a.m. for the following purposes:–

1. To receive and consider the financial statements and the directors’ and auditors’ reports of the Company for the year ended 31st December, 2004.
2. To declare a final dividend.
3. To re-elect the retiring directors and to fix directors’ fee.
4. To re-appoint auditors and to authorise the directors to fix their remuneration.

As special business, to consider and, if thought fit, to pass with or without amendments the following resolutions as ordinary resolutions of the Company:–

ORDINARY RESOLUTIONS

5. **“THAT:**
 - (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and is recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

(b) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and the said approval shall be limited accordingly; and

(c) for the purposes of this resolution:–

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:–

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or law to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”

6. **“THAT:**

- (a) subject to paragraph (c) of this resolution and pursuant to Section 57B of the Companies Ordinance, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require shares of the Company to be allotted be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the directors of the Company during the Relevant Period to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require shares of the Company to be allotted after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of rights of subscription or conversion under the terms

of any existing warrants, bonds, debentures, notes or other securities issued by the Company which carry rights to subscribe for or are convertible into shares of the Company; or (iii) the exercise of options granted under any option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares in the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:–

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:–

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of associations of the Company or law to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”

“Rights Issue” means an offer of shares of the Company or issue of options, warrants or other securities giving the right to subscribe for shares of the Company open for a period fixed by the directors of the Company to holders of shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares of the Company (or, where appropriate, such other securities) (subject in all cases to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

7. **“THAT** subject to the passing of resolution nos. 5 and 6 set out in the notice convening this meeting, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with additional shares in the Company pursuant to resolution no. 6 set out in the notice convening this meeting be and is hereby extended by

the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to the resolution no. 5 set out in the notice convening this meeting, provided that such extended amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution.”

8. **“THAT:**

- (A) subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting approval of the listing of, and permission to deal in, the shares of HK\$0.40 each in the share capital of the Company (“Shares”) to be issued pursuant to the exercise of any options granted under the share option scheme of the Company (the “Share Option Scheme”) (the rules of the Share Option Scheme are contained in the document marked “A” produced to this meeting and for the purposes of identification signed by the Chairman thereof), the Share Option Scheme be and is hereby approved and adopted and the board of directors of the Company be and is hereby authorised to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Share Option Scheme including but without limitation:
- (i) to administer the Share Option Scheme under which options will be granted to participants eligible under the Share Option Scheme to subscribe for Shares;
 - (ii) to modify and/or amend the Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Share Option Scheme relating to modification and/or amendment;
 - (iii) to allot, issue and deal with from time to time such number of Shares as may be required to be issued pursuant to the exercise of the options under the Share Option Scheme and subject to the Rules Governing the Listing of Securities on the Stock Exchange;
 - (iv) to make application at the appropriate time or times to the Stock Exchange and any other stock exchanges upon which the issued Shares may for the time being be listed, for listing of, and permission to deal in, any Shares which may hereafter from time to time be allotted and issued pursuant to the exercise of the options under the Share Option Scheme; and
 - (v) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the Share Option Scheme.”

By order of the Board
TANG To
Chairman

Hong Kong, 29th April, 2005

Registered Office:

8th Floor, Tai Tung Industrial Building
29-33 Tsing Yi Road
Tsing Yi Island
New Territories
Hong Kong

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be deposited at the registered office of the Company at 8th Floor, Tai Tung Industrial Building, 29-33 Tsing Yi Road, Tsing Yi Island, New Territories, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting or poll (as the case may be).
3. The register of members of the Company will be closed from 24th May, 2005 to 30th May, 2005 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for the final dividend, all transfers and the relevant share certificates must be lodged with the Company's Registrars, Secretaries Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong no later than 4:00 p.m., on 23rd May, 2005.
4. With regard to the proposed ordinary resolutions no. 3, 5 to 8 set out in this notice, a circular giving details of the proposed re-election of directors, the proposed general mandates to repurchase and issue shares and the proposed adoption of a share option scheme will be despatched to the shareholders of the Company together with the Annual Report of the Company for the year ended 31st December, 2004.
5. This notice will also be available for viewing on the website of each of The Stock Exchange of Hong Kong Limited at <http://www.hkex.com.hk> and of the Company at <http://www.cosmel.com>.
6. As at the date of this notice, the board of directors of the Company comprises Mr. Tang To (Chairman), Mr. Zhao Zhuoying, Mr. Wong Yiu Ming, Mr. Yan Wing Fai Richard and Mr. Li Tin Loi as executive directors, Mr. Tang Kwan (Honorary Chairman), Mr. He Zhiqi (Vice Chairman) and Mr. Kan Wai Wah as non-executive directors, and Mr. Liang Shangli, Mr. Yip Jeffery and Miss Yeung Shuk Fan as independent non-executive directors.

"Please also refer to the published version of this announcement in The Standard."



COSMOS MACHINERY ENTERPRISES LIMITED

大同機械企業有限公司

(於香港註冊成立之有限公司)

(股份代號：118)

股東週年大會通告

茲通告大同機械企業有限公司(「本公司」)謹定於二零零五年五月三十日(星期一)上午九時三十分假座香港九龍彌敦道20號香港喜來登酒店3樓唐廳I召開股東週年大會，以便處理下列事宜：—

1. 省覽本公司截至二零零四年十二月三十一日止年度之財務報告、董事會報告及核數師報告。
2. 宣派末期股息。
3. 重選退任董事及釐定董事袍金。
4. 續聘核數師及授權董事釐定其酬金。

作為特別事項，考慮及酌情通過下列決議案為本公司普通決議案(不論有否修訂)：

普通決議案

5. 「動議：

- (a) 在本決議案(b)段之規限下一般性及無條件批准本公司董事於有關期間(定義見下文)在香港聯合交易所有限公司(「聯交所」)或本公司證券可能上市而就此獲證券及期貨事務監察委員會及聯交所認可之任何其他證券交易所行使本公司所有權力購回本公司股本中之股份，並依據及

按照不時經修訂之所有適用法例及／或聯交所證券上市規則或任何其他證券交易所之規定而進行；

- (b) 本公司根據本決議案(a)段之批准可購回之股份面值總額不得超過本決議案獲通過當日本公司已發行股本面值總額之10%，而根據本決議案(a)段所獲之權限亦須受此限制；及
- (c) 就本決議案而言：—

「有關期間」乃指本決議案獲通過時至下列任何最早之日期為止之期間：—

- (i) 本公司下屆股東週年大會結束時；
- (ii) 本公司之組織章程細則或法例規定本公司須召開下屆股東週年大會之期限屆滿之日；及
- (iii) 本公司股東在股東大會上通過普通決議案撤銷或修改本決議案授予本公司董事之授權。」

6. 「動議：

- (a) 在本決議案(c)段之規限下及根據公司條例第57B條，一般性及無條件批准本公司董事於有關期間（定義見下文）內行使本公司之所有權力，以配發、發行及處理本公司股本中之額外股份，並作出或授予或需配發股份之售股建議、協議及期權（包括認股權證、債券、債權證、票據及其他附有權利可認購或轉換為本公司股份之證券）；
- (b) 本決議案(a)段之批准將授權本公司董事於有關期間內作出及授予或需於有關期間結束後配發股份之售股建議、協議及期權（包括認股權證、債券、債權證、票據及其他可認購或轉換為本公司股份之證券）；

(c) 本公司董事依據本決議案(a)段之批准而配發或發售或發行（不論是依據期權或其他原因）之股本面值總額（但不包括依據(i)供股（定義見下文）；或(ii)根據本公司發行且附有權利認購或可轉換為本公司股份之任何現有認股權證、債券、債權證、票據或其他證券所載條款行使認購權或換股權；或(iii)依據任何當時經採納為授予或發行本公司股份或購買本公司股份權利之股份認購計劃或類似安排而授出之期權獲行使；或(iv)依據本公司之組織章程細則就以股代息計劃或類似安排提供配發股份以代替就本公司股份派發之全部或部份股息）不得超過本決議案獲通過當日本公司已發行股本面值總額之20%，而上述批准亦須受此數額限制；及

(d) 就本決議案而言：—

「有關期間」乃指本決議案獲通過時至下列任何最早之日期為止之期間：—

- (i) 本公司下屆股東週年大會結束時；
- (ii) 本公司之組織章程細則或法例規定本公司須召開下屆股東週年大會之期限屆滿之日；及
- (iii) 本公司股東在股東大會上通過普通決議案撤銷或修改本決議案授予本公司董事之授權。」

「供股」乃指本公司董事於指定期間內，向於指定記錄日期名列本公司股東名冊之股份持有人（及，如適用，向本公司其他應獲授予之證券持有人）按彼等當時持有本公司股份之比例發出股份要約或發行期權、認股權證或其他有權認購本公司股份之證券（或，如適用，該等其他證券）（本公司董事有權在任何情況下就零碎配額或經顧及適用於本公司之任何地區法律或其任何

認可管制機構或證券交易所之規定而產生之任何限制或責任後，作出其認為必須或權宜之豁免或其他安排)。」

7. 「動議：待召開本大會之通告所載之第5及6項決議案獲通過後，藉加入相當於本公司根據召開本大會之通告所載第5項決議案授予之權力購回本公司股本面值總額之數額，以擴大根據召開本大會之通告所載第6項決議案授予本公司董事行使本公司權力以配發、發行及處理本公司額外股份之一般性授權，惟該擴大數額不得超過於本決議案獲通過當日本公司已發行股本面值總額之10%。」

8. 「動議：

(A) 待香港聯合交易所有限公司（「聯交所」）上市委員會批准因行使根據本公司購股權計劃（「購股權計劃」）（購股權計劃之規則已載於提呈本大會並由大會主席簽署以資識別註明「A」記號之文件）授予之購股權而將予發行之本公司股本中每股面值0.40港元之股份（「股份」）上市及買賣後，批准及採納購股權計劃，並授權本公司董事採取一切必需或適當之行動及訂立一切必需或適當之交易、安排及協議，使購股權計劃得以全面生效，其中包括（惟不限於）：

- (i) 執行購股權計劃，據此向購股權計劃規定之合資格參與者授出購股權，以認購股份；
- (ii) 不時對購股權計劃作出改動及／或修訂，惟上述改動及／或修訂須按照購股權計劃內有關作出改動及／或修訂之條文進行；
- (iii) 根據聯交所證券上市規則不時配發、發行及處理因行使購股權計劃項下之購股權而可能需予以發行之該等股份之數目；
- (iv) 於適當時候向聯交所及本公司當時已發行股份上市所在之任何其他證券交易所申請批准於其後不時按購股權計劃授出之購股

權獲行使而將予配發及發行之任何股份上市及買賣；及

- (v) 倘若認為合適及權宜，同意有關機構對購股權計劃所規定或施加之條件、修訂及／或改動。

承董事會命
主席
鄧燾

香港，二零零五年四月二十九日

註冊辦事處：

香港
新界
青衣島
青衣路29-33號
大同工業大廈八字樓

附註：

1. 凡有權出席上述大會並投票之本公司股東均有權委任一位或多位代表出席，並於投票表決時代其投票，受委代表毋須為本公司股東。
2. 代表委任表格連同授權簽署該表格之授權書或其他授權文件（如有），或經由公證人簽署證明之該等授權書或授權文件之副本，最遲須於大會或其續會或表決（視屬何情況而定）舉行時間四十八小時前送達本公司之註冊辦事處，地址為香港新界青衣島青衣路29-33號大同工業大廈八字樓，方為有效。
3. 本公司將於二零零五年五月二十四日至二零零五年五月三十日（包括首尾兩天）暫停辦理股東登記手續，期間本公司將不會辦理股份過戶登記。為享有末期股息之分派，所有過戶文件及有關股份證書最遲須於二零零五年五月二十三日下午四時前送交本公司之股份過戶登記處秘書商業服務有限公司，地址為香港灣仔告士打道56號東亞銀行港灣中心地下，方為有效。
4. 為方便處理本通告所述之第3、第5至第8項事宜，本公司將向股東寄發一份通函，載述擬進行之董事重選、購回股份及發行股份一般性授權及擬採納購股權計劃之詳情。有關通函將於二零零四年十二月三十一日連同本公司年報一併寄發。

5. 本通告將可分別於香港聯合交易所有限公司網站 <http://www.hkex.com.hk> 及本公司網站 <http://www.cosmel.com> 查閱。
6. 於本公布發表日期，本公司董事會包括執行董事鄧燾先生（主席）、趙卓英先生、黃耀明先生、甄榮輝先生及李天來先生；非執行董事鄧焜先生（榮譽主席）、何志奇先生（副主席）及簡衛華先生；及獨立非執行董事梁尚立先生、葉慶輝先生及楊淑芬小姐。

「請同時參閱本公布於經濟日報刊登的內容。」